TREASURY DEPARTMENT Washington

FOR RELEASE, MORNING NEWSPAPERS, Friday, December 25, 1942.

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Press Service No. 34-73

Secretary Morgenthau today established specifications for a new, wartime one-cent coin to be made of zinc-coated steel. The action was taken under recently enacted legislation designed to conserve stretegic metal.

The order provides that the new piece shall be of the same size and design as the present coin, which has been minted since 1909. Coinage of the present penny, which is 95 percent copper, is suspended after January 1, 1943.

Mrs. Nellie Tayloe Ross, Director of the Mint, said the new one-cent piece will be in production about February 1. At the same time, Mrs. Ross said that the campaign to draw outstanding coins out of hiding and into business use will be continued. It is believed that by increasing circulation of coins already minted, demands for war-necessary metals can be reduced substantially.

School children throughout the Nation have joined this month in the Treasury's campaign to induce conversion of coin savings into War Stamps and Bonds, or otherwise to divert them into business channels. The program, designed initially to increase available penny stocks for holiday needs while the changeover to the new metal is being made, has proved so successful that it is being adopted as a continuing wartime policy.

Banks throughout the country have given substantial assistance to the campaign to increase circulation of outstanding coins, Mrs. Ross said, many of them carrying on extensive publicity programs in their communities at their own expense. Many individuals, radio stations, and commercial establishments have helped.

A huge volume of correspondence received at the Mint attests to the enthusiasm with which the schools have participated.

Since the coins, upon reaching the banks, have been packaged promptly and reissued to fill business needs, no actual figures on the number of pieces attracted from hiding are available.

Legislation authorizing a change in the penny was signed last week by President Roosevelt. With approval of the War Production Board, Secretary Morgenthau authorized production of the zinc-coated steel coin after prolonged experimentation convinced Mint officials that this was the most practical material available at this time.

The new law also authorizes coinage of a three-cent piece, and, if the demand for minor coins continues, consideration will be given this denomination after the new penny is in production. The United States last minted a three-cent coin in 1889.

The zinc-steel penny will weigh slightly less than the copper coin, 41.5 grains, against the present 48 grains. Newly minted, it will have a blue-gray cast, which will tend to become dull with circulation.

The extremely thin zinc coating will protect the steel from rust.

Authority to make the new coin expires December 31, 1946, but the order establishing the zinc-steel composition may be modified or revoked at any time by the Secretary of the Treasury.